

Restrictions on the Expenditure of Substance Abuse Prevention and Treatment Block Grant (SAPTBG) Funds and Community Mental Health Services Block Grant (CMHSBG) Funds

Included in the SFY 2009-2010 NCDMHDDSAS Performance Contract with the LMEs.

Previously Included in All Prior DMHDDSAS Performance Contracts and Performance Agreements with Area Programs and/or LMEs in the "Summary of Significant Federal Funding Requirements" accessible on the web at <http://www.ncdhhs.gov/mhddsas/performanceagreement/index.htm>

1. CMHSBG and SAPTBG funds are prohibited to be used to provide or purchase inpatient hospital services, except for SAPTBG funds may be used with exception as described in 45 CFR 96.135 (c)*.
2. CMHSBG and SAPTBG funds are prohibited to be used to make, or to allow to be made, any cash payments to any recipients or intended recipients of health or behavioral health services.
3. CMHSBG and SAPTBG funds are prohibited to be used to make, or to allow to be made, any cash payments to any recipients or intended recipients of health or behavioral health services.
4. CMHSBG and SAPTBG funds are prohibited to be used for the purchase or improvement of land, purchase, construction or permanent improvement (other than minor remodeling) of any building or other facility, or purchase of major equipment, including medical equipment.
5. CMHSBG and SAPTBG funds are prohibited to be used to satisfy any requirement for the expenditure of non-Federal funds as a condition of receipt of Federal funds. (*i.e. Federal funds may not be used to satisfy any condition for any state, local or other funding match requirement*).
6. CMHSBG and SAPTBG BG funds are prohibited to be used to provide financial assistance to any entity other than a public or nonprofit private entity.
7. CMHSBG and SAPTBG funds are prohibited to be used towards the annual salary of any LME, provider, or contractor employee, consultant, or other individual that is in excess of Level I of the most current US Office of Personnel Management federal Executive Salary Schedule. This amount is currently designated for calendar year 2009 at an annual salary of \$196,700.
8. SAPTBG funds are prohibited to be used to provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs
9. SAPTBG funds are prohibited to be used to provide individuals with treatment services in penal or correctional institutions of the State (This includes jails, prisons, adult and juvenile detention centers, juvenile training schools, etc.)

*** Note Exception for substance abuse inpatient hospital services under the SAPTBG is as follows:**

45 CFR Part 96.135 (c) Exception regarding inpatient hospital services.

(1) With respect to compliance with the agreement made under paragraph (a) of this section, a State (acting through the Director of the principal agency) may expend a grant for inpatient hospital-based substance abuse programs subject to the limitations of paragraph (c)(2) of this section only when it has been determined by a physician that:

- (i) The primary diagnosis of the individual is substance abuse, and the physician certifies this fact;
- (ii) The individual cannot be safely treated in a community-based, nonhospital, residential treatment program;
- (iii) The Service can reasonably be expected to improve an individual's condition or level of functioning;
- (iv) The hospital-based substance abuse program follows national standards of substance abuse professional practice; and

(2) In the case of an individual for whom a grant is expended to provide inpatient hospital services described above, the allowable expenditure shall conform to the following:

- (i) The daily rate of payment provided to the hospital for providing the services to the individual will not exceed the comparable daily rate provided for community-based, nonhospital, residential programs of treatment for substance abuse; and
- (ii) The grant may be expended for such services only to the extent that it is medically necessary, i.e., only for those days that the patient cannot be safely treated in a residential, community-based program.